

# **THE ABRAHAMS GROUP**

*FOR BETTER GOVERNMENTS*

December 20, 2016

Mr. Michael Farrell  
Town Administrator  
Town Hall  
1 Library Street  
Georgetown, MA 01833

Dear Mr. Farrell:

I am pleased to submit this report summarizing our analysis on the Town of Georgetown's projected revenues and expenditures over the upcoming 10-year period.

## **INTRODUCTION**

This project is funded by the Community Compact Cabinet initiative ([www.mass.gov/CCC](http://www.mass.gov/CCC)). Through this grant, The Abrahams Group developed a financial forecast for the Town of Georgetown. The goal of the program is to encourage the implementation of municipal best practices that promote good governance, in this case by developing a financial forecast, thereby fostering efficiency, accountability, and transparency in local government.

As a best practice, a financial forecast is an essential fiscal planning and policymaking tool that conservatively projects revenues and expenditures over a multi-year period. It is designed to allow a municipality to evaluate the impact of various financial decisions and policy choices over time. A financial forecast includes reasonable assumptions that must be continuously evaluated and updated to reflect changing circumstances and events. Thus, the forecast provides a fair representation of the Town's fiscal future to help facilitate the budget and planning process.

The main goals of a financial forecast are to conservatively project revenues and expenditures over a period of years based on documented assumptions and to provide a tool to continuously update those assumptions and forecasts. The financial forecast is not to present a balanced forecast, which is the function and role of a budget.

To develop this financial forecast, meetings with Town and School officials were held, budget-related documents were reviewed, and financial data was analyzed. The financial forecast offers a comprehensive look into the various revenue and expenditure components and the assumptions used to construct a 10-year financial outlook for the Town of Georgetown. Accompanying this report is an Excel-based financial forecasting tool for the Town's use. The financial forecast can provide the Town with information and a tool to facilitate financial decisions going forward.

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This report contains results of our analysis on projected revenues, projected expenditures, and the gap between projected revenues and projected expenditures in each of the years analyzed. The report also indicates what assumptions were used in the analysis.

With many unknowns in the near future, certain assumptions were made in order to project revenues and expenditures in the upcoming 10 fiscal years. The Town should continuously update this forecast as assumptions change and become reality.

## BACKGROUND

The Town of Georgetown ("Town") had a \$27.4 million operating budget in FY 2016. If overlay, charges and offsets from the Cherry Sheet, and the snow and ice deficit are included, the amount increases to \$28.0 million. The Town has a \$28.6 million operating budget in FY 2017. If overlay and charges and offsets from the Cherry Sheet are included, the amount increases to \$29.2 million. The breakdown of expenditures for FY 2016 and FY 2017 is presented in the table below:

	FY 2016		FY 2017	
	Budget		Budget	
	Amount	Percent	Amount	Percent
Departmental Expenses	\$ 19,882,347	70.95%	\$ 20,221,821	69.22%
Debt	\$ 2,786,360	9.94%	\$ 3,263,262	11.17%
Insurance & Retirement	\$ 4,719,828	16.84%	\$ 5,090,610	17.43%
Overlay	\$ 75,000	0.27%	\$ 90,000	0.31%
Cherry Sheet Charges/Offsets	\$ 493,741	1.76%	\$ 547,565	1.87%
Snow and Ice Deficit	\$ 67,243	0.24%	\$ -	0.00%
<b>Total</b>	<b>\$ 28,024,520</b>	<b>100.00%</b>	<b>\$ 29,213,258</b>	<b>100.00%</b>

The Town had revenues of \$28.0 million in FY 2016 and is projecting revenues of \$29.2 million in FY 2017. The breakdown of revenues for FY 2016 and FY 2017 is presented in the table below:

	FY 2016		FY 2017	
	Actual		Projected	
	Amount	Percent	Amount	Percent
Property Taxes	\$ 18,689,652	66.75%	\$ 19,515,051	66.90%
State Revenues	\$ 6,396,199	22.84%	\$ 6,529,018	22.38%
Local Receipts	\$ 2,575,038	9.20%	\$ 2,625,335	9.00%
Other Available Funds	\$ 337,503	1.21%	\$ 500,886	1.72%
<b>Total</b>	<b>\$ 27,998,392</b>	<b>100.00%</b>	<b>\$ 29,170,289</b>	<b>100.00%</b>

In recent years, the percentage of revenues from property taxes has increased as State revenues have declined. Ten years ago, the Town collected 50% of its revenues from property taxes and 29% of its revenue from the State, with the rest from local receipts and other available funds. The revenue breakdown back then is much different than the breakdown presented in the table above.



Prior to this analysis, the Town did not have a tool to forecast its finances in the form of a financial plan. The Town sought one to help it sustain a strong financial position in the fiscal years to come. As a benefit to the Town, the Excel workbook that accompanies this report can be used as a planning tool to analyze the impact of certain changes to Town finances on projected revenues and/or expenditures. Additionally, the Excel workbook can be used as a tool to gauge the potential impact of future capital expenditures on the Town's free cash and debt service.

## PROJECTED EXPENDITURES AND REVENUES

Exhibit 1 presents a table that contains a comparison of revenues and expenditures using actuals from FY 2016 and projections for FY 2017 through FY 2027, as well as a calculated surplus or deficit for each of the fiscal years, in the accompanying Excel file. The expenditures include planned capital expenditures based on the Town's Capital Improvement Plan (CIP), which contains almost \$9.5 million of planned capital expenditures from the 10-year period analyzed.

The following chart displays the total revenues and expenditures, including the planned capital expenditures in the CIP, and shows the gap between the two totals, by year:

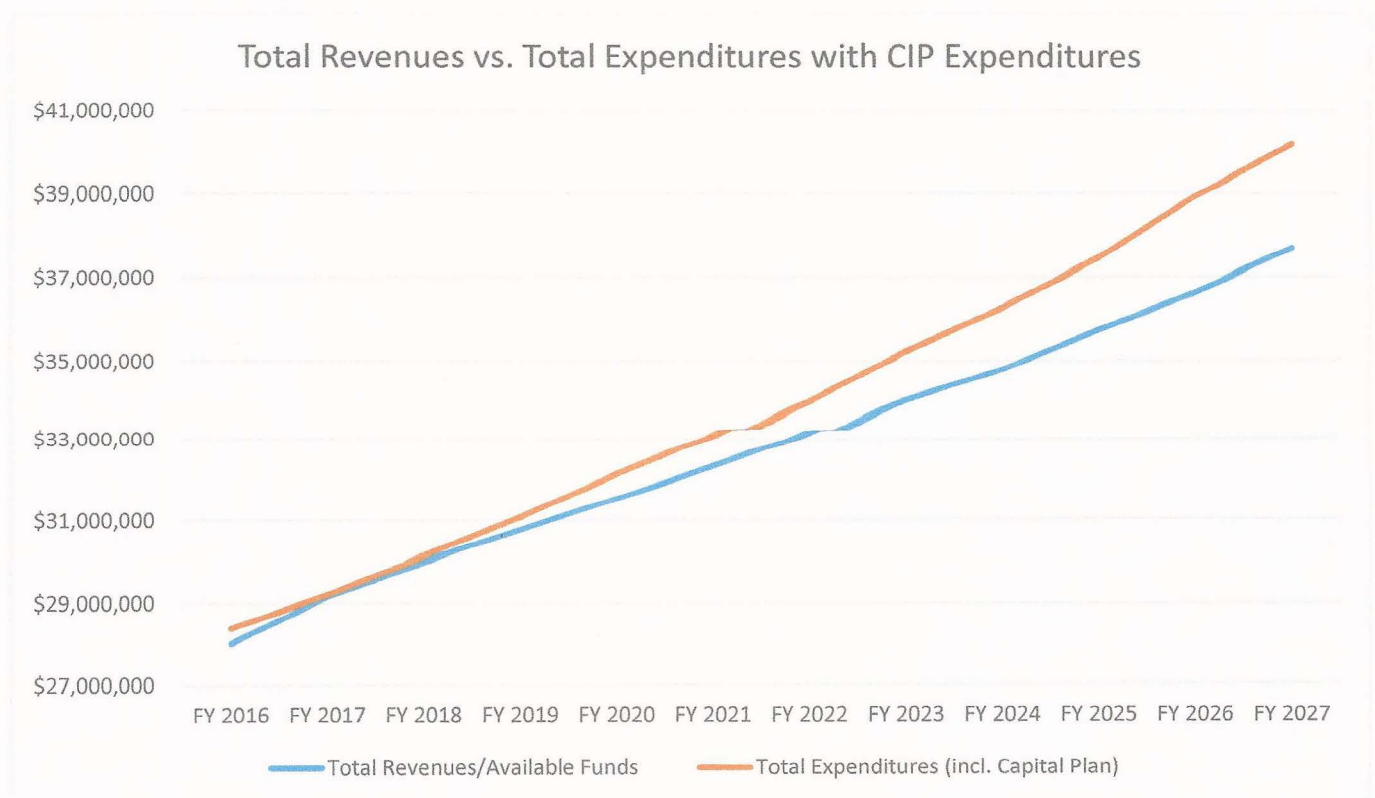
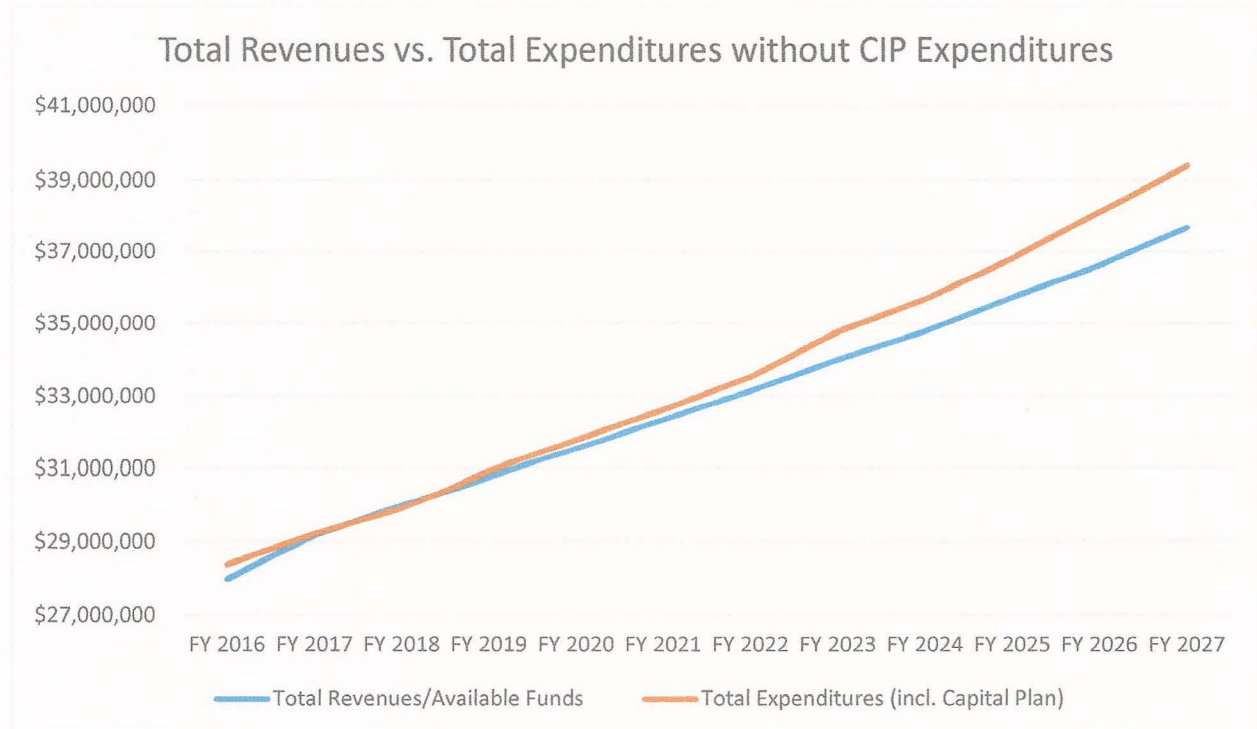


Exhibit 2 presents the same table as the one in Exhibit 1, but without the planned capital expenditures in the CIP.

The following chart displays the total revenues and expenditures, not including the planned capital expenditures in the CIP, and shows the gap between the two totals, by year:



## PROJECTED EXPENDITURES

The Town currently has \$3,564,202 in outstanding bond anticipation notes (BANs) that it plans to pay back by the end of FY 2017. Of the total outstanding BAN amount, \$64,202 is for capital equipment that will not be borrowed long-term. The remaining \$3.5 million, of which \$1 million is for construction at the Middle/High School and \$2.5 million is for construction at the Penn Brook School, less MSBA reimbursements and BAN proceeds not spent, will be borrowed long-term at the end of FY 2017. Additionally, \$1.8 million for the Elm Street road project will be borrowed long-term at the end of FY 2017. A BAN was not issued for the Elm Street project, and one will not be, prior to the long-term borrowing.

Exhibit 3 presents a table that contains projected debt service for these borrowings over the 10 years analyzed in the accompanying Excel file. The Town's CIP contains planned capital expenditures for each year included in this analysis. Exhibit 4 contains a breakdown of the planned capital expenditures by year in the accompanying Excel file.

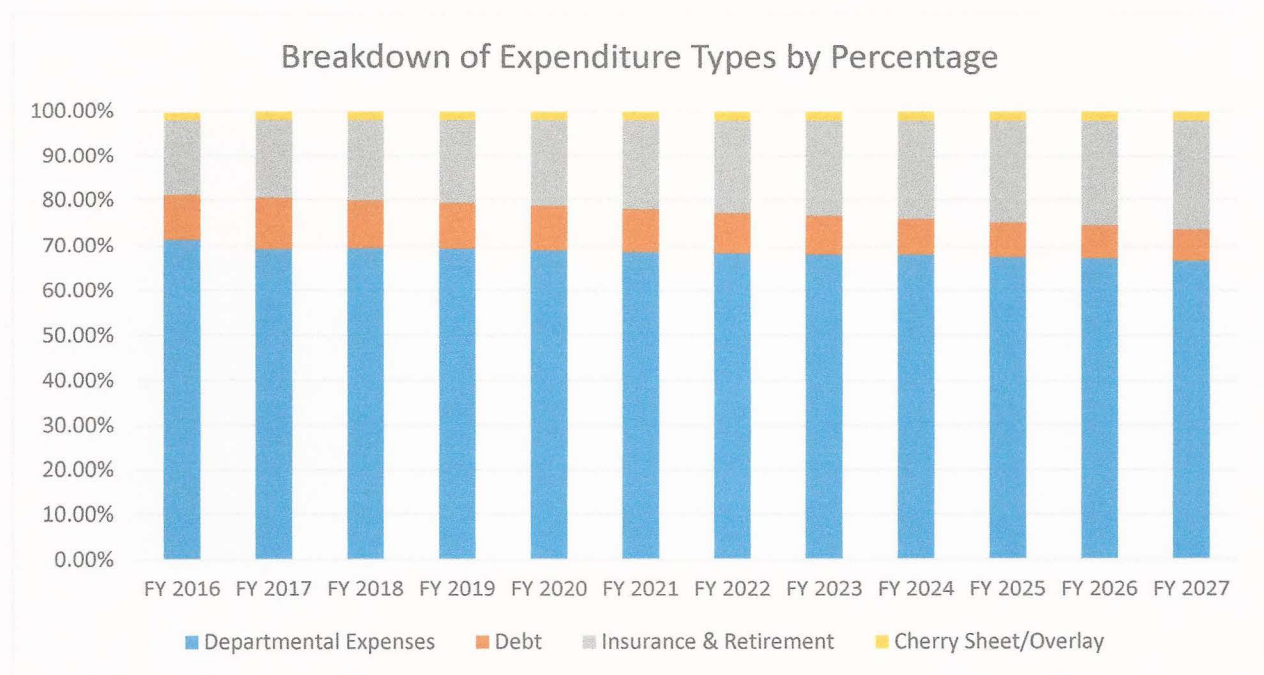
The Town plans to fund each of the capital expenditures that is \$100,000 or less out of free cash and each that is over \$100,000 via long-term borrowings. Exhibit 5 presents a table that contains



capital outlay and new debt projections, based on planned capital expenditures in the CIP in the accompanying Excel file.

Exhibit 6 presents a table that contains projected total expenditures for the Town over the next 10 fiscal years, using the same breakdown of expenditures presented earlier in this report in the accompanying Excel file.

Including actual FY 2016 expenditures and projected FY 2017 expenditures, the following bar graph shows the projected changes to the breakdown of expenditures:



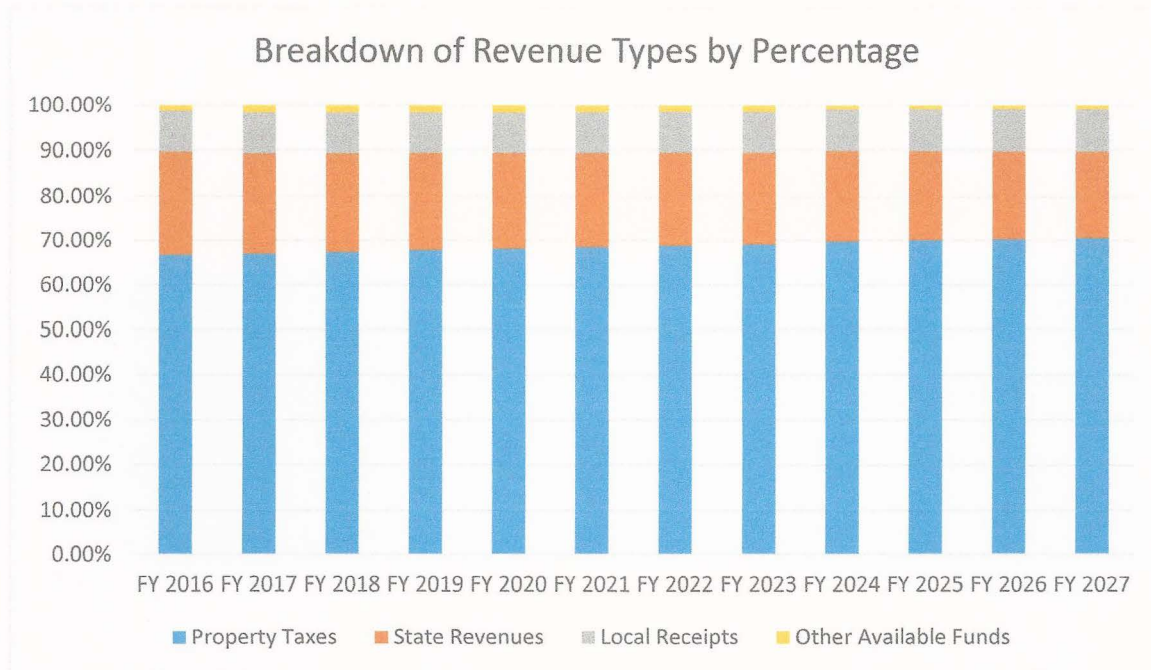
The CIP and the projected CIP-related expenditures can be found in the accompanying Excel file.

## PROJECTED REVENUES

The Middle/High School and Penn Brook School construction projects and the Elm Street road project were voted by taxpayers to be debt-excluded projects. Therefore, any projected debt for the final phase of the two school projects and for the Elm Street project is included as additional property tax revenues, starting when the first payment on the borrowings for these projects is projected to take place, which is in FY 2018. This analysis does not contain any revenues that have been specifically identified to fund planned capital expenditures identified in the CIP.

Exhibit 7 contains projected total revenues for the Town over the next 10 fiscal years, using the same breakdown of revenues presented earlier in this report in the accompanying Excel file.

Including actual FY 2016 revenues and projected FY 2017 revenues, the following bar graph shows the projected changes to the breakdown of revenues:



## CHAPTER 70 AID PROJECTIONS

Projecting what aid the Town will receive from the State is difficult due to, in part, the following:

- Whether the required local contribution of municipalities is based on full equity or continues to be reduced. Currently, equity is at 85% local effort reduction.
- Whether the formula the State uses to determine Chapter 70 aid stays the same or changes.
- Whether the increases in foundation budget for health insurance, SPED, and other costs, as recommended by the Foundation Budget Review Commission, will be implemented or not and to what extent changes would impact local contributions and Chapter 70 distributions.
- The Town does not have a projection of future enrollment that could be used in such an analysis.

If fully equity is achieved, the Town's required local contribution would decrease by about \$31,500. This decrease would decrease the Town's net school spending amount by the same amount. Since the Town continuously spends in excess of its net school spending requirement, the implementation of full equity would not materially affect Chapter 70 aid projections and School Department expense projections. Full equity is likely to be achieved in the next few years.



The Town has averaged \$56,748 in annual Chapter 70 aid increases over the past four fiscal years. These increases are due to minimum aid. If the State's Chapter 70 aid formula does not change, then the Town should continue to receive small increases in Chapter 70 aid on a yearly basis. However, the Town receives more base Chapter 70 aid than it does foundation aid. The excess of base aid over foundation aid may be reduced or eliminated over time if the State legislature decides to make the Chapter 70 distributions more equitable. For FY 2017, the Town's base Chapter 70 aid of approximately \$5.3 million is approximately \$2 million more than its foundation aid of approximately \$3.3 million.

If the recommended foundation budget changes are implemented, communities' local contributions and Chapter 70 aid would increase, the extent of which is not known.

For Chapter 70 aid projections in this analysis, a conservative minimum aid amount of \$25, down from the \$55 minimum aid amount in FY 2017, is used, as well as consistent foundation enrollment projections, based on the FY 2017 foundation enrollment of 1,376. The Town can utilize the Excel tool to update the financial forecast with Chapter 70-related data. Exhibit 8 contains the FY 2017 Chapter 70 aid amount and projected Chapter 70 aid amounts in future years in the accompanying Excel file.

## **FREE CASH**

The Town's Free Cash, as of July 1, 2016, was certified by the Department of Revenue (DOR) at \$473,860, down from the certified amount of approximately \$770,000 the prior year. Town Meeting recently voted to use \$110,000 from Free Cash for the purchase of real estate and also recently voted to use \$40,000 from Free Cash for the removal of an oil tank at a school. The Town typically uses funds out of Free Cash to pay for its snow and ice deficit.

The Town's Free Cash Policy states that, annually, after Free Cash certification, at least 25% of the certified Free Cash will be used to fund capital expenditures and at least 25% of the certified Free Cash will be placed in the Stabilization Fund. The policy also states that fiscal conditions may affect the implementation of the policy.

Based on the most recent certification, at least \$118,000 of Free Cash should be used to fund capital expenditures in FY 2017 and at least the same amount should be placed in the Stabilization Fund. With the two items voted at the most recent Town Meeting, the Town has satisfied the capital expenditure portion of the policy for FY 2017. With \$92,000 placed in the Stabilization Fund in FY 2017, the Town has not satisfied the Stabilization Fund portion of the policy, but has come close to doing so.

Exhibit 9 contains planned capital outlay expenditures identified in the CIP in the accompanying Excel file.

Except for one, the total capital outlay expenditures planned for each of the fiscal years exceeds 25% of the most recent Free Cash certification, which suggests that the Town will be challenged to fund each of these capital outlay expenditures as planned.

## **STABILIZATION FUND**

At the time of this report, the Town had approximately \$834,000 in its Stabilization Fund and less than \$5,000 in its Capital Stabilization Fund. Considering the Town does not plan to fund capital expenditures using funds from the Stabilization Fund, like it did recently for a fire engine, and has no immediate plans to add funds to the Capital Stabilization Fund, the Town will likely not be able to use funds from its stabilization funds to help pay for planned capital expenditures.

The Town's Stabilization Fund Policy states that the Town's goal is to have an amount in the Stabilization Fund between 5% and 10% of the operating budget and that, when the balance is less than 5% of the operating budget, no appropriations from the Stabilization Fund will be considered except in cases of extreme fiscal emergency. Based on the policy, in FY 2017, the Stabilization Fund should have between approximately \$1.4 million and \$2.8 million. The Town is currently short of its Stabilization Fund goal as it currently has an amount about 3% of the operating budget. The Town should refrain from appropriating funds from the Stabilization Fund until its amount satisfies the Town's policy.

## **ASSUMPTIONS**

In order to complete the analysis, certain assumptions were made. Some noteworthy assumptions made are:

- The Water Enterprise Fund and the Ambulance Enterprise Fund are self-sustaining funds. Their revenues and expenditures are not included in this analysis. Only General Fund revenues and expenditures are included in this analysis.
- The Town is anticipating an additional revenue stream tied to a local marijuana dispensary in upcoming fiscal years. Due to too many unknowns at the time of this report, anticipated revenues related to the dispensary were not included in this analysis.
- For capital expenditures on the Town's CIP, the following criteria was used:
  - Any expenditure less than or equal to \$100,000 would be funded out of free cash during the fiscal year identified in the CIP.
  - Any expenditure greater than \$100,000 would be borrowed long-term using the following criteria:
    - Term of five years for equipment, 20 years for buildings, and 10 years for everything else
    - Interest rate of 3.50%



- The borrowing would commence at the end of the fiscal year identified in the CIP, which means the following year would contain only one payment and it would be an interest-only payment. One principal and interest payment and one interest-only payment would be made in the second year of payment on the borrowing and in each subsequent year until the borrowing was paid back.
  - A BAN would be issued for the long-term borrowing amount and would be paid off at the time of long-term borrowing with interest equal to 1.00% of the borrowing amount.
- The CIP used to identify planned capital expenditures to include in this report was a 12-year plan from FY 2018 to FY 2029, but this analysis only reflects those expenditures planned for FY 2018 to FY 2027.
- At the end of FY 2017, the Town will borrow less than the full outstanding BAN amounts for the final phase of construction for the Middle/High School and for the final phase of construction for the Penn Brook School. The Town will borrow \$523,000 for the Middle/High School since the Town projects \$477,000 of the \$1 million BAN proceeds will not be spent and therefore not need to be borrowed long-term. The Town will borrow \$1,896,000 for the Penn Brook School since the Town anticipates \$534,000 in MSBA reimbursements and \$70,000 of the \$2.5 million BAN proceeds will not be spent and therefore not need to be borrowed long-term.
- Known bond premiums were included as a revenue source, but no additional premiums were included in the projection of future revenues since whether the Town will receive additional premiums is not known at the time of this report.
- Whether any capital projects will be voted as debt exclusions is not known at the time of this report and, therefore, no debt exclusions, besides the ones known at the time of this report, were included in the projections of property tax revenues in future years.
- When projecting most of the revenues and most of the expenditures, a factor used to increase each on a year-to-year basis was discussed and agreed upon. Generally, most of the factors used are conservative, which translates to potentially-understated projected revenues and potentially-overstated projected expenditures. The following list contains some specific assumptions related to projecting revenues and expenditures:
  - New growth in town is projected to increase by \$12,000 on a yearly basis.
  - Revenues from SPED Tuition are included as expected revenue in FY 2017 and FY 2018, but not beyond that, based on plans for a particular student.
  - Revenues from State-owned land are projected on a level basis yearly.
  - Revenues from miscellaneous local receipts are projected on a level basis yearly.
  - Medicaid revenues are projected to increase by 1.0% yearly.
  - Indirect costs transferred from the Water Enterprise Fund are projected to increase 2.5% yearly.

- Generally, personnel services expenses are projected to increase 1.5% on a yearly basis. An exception is for School Department personnel since those expenses are projected to increase 2.5% on a yearly basis, except for those years that are the first years of a new contract. For the first year of new contracts, School Department personnel expenses are projected to increase by over 4.0%.
- Generally, non-personnel expenses are projected to increase 3.0% yearly.
- The regional assessments the Town is charged are projected to increase by 5.0% on a yearly basis. Recent assessment increases were higher than 5.0%, but the School Department believes that the 5.0% yearly increase accurately reflects what the assessments should be based on current and projected enrollment. Similarly, State revenues for tuition received for School Choice students are increased by 5.0% yearly.
- Expenses for County retirement are projected to increase 7.2% on a yearly basis.
- Expenses for workers' compensation are projected to increase 3.5% on a yearly basis.
- Expenses for health insurance are projected to increase 7.5% on a yearly basis.
- Expenses for vehicle, property, and liability insurance are projected to increase 5.0% on a yearly basis.
- Certain revenues and expenditures, like Chapter 70 aid and school assessments, are based, in part, on foundation enrollment. The School Department has not performed an enrollment study. If one is performed, the forecast can be adjusted accordingly.

## CONCLUSION

The Town of Georgetown is facing a challenge: projected revenues are not sufficient to meet projected expenditures. The Town may need to consider alternate revenues and an operational override and/or additional debt exclusions for upcoming capital projects in order to bring in additional revenues to address projected operational deficits in upcoming fiscal years. The Town may consider a capital outlay expenditure exclusion as another way to bring in additional revenues. The Town should seek to identify ways to reduce expenditures in upcoming fiscal years by seeking to lower health insurance costs, for example.

\* \* \* \* \*

We are pleased to provide assistance to the Town of Georgetown on this important and challenging project. I will be pleased to discuss this letter with you at your earliest convenience.

Sincerely yours,



Mark D. Abrahams, CPA  
President



This file accompanies the Town of Georgetown's Financial Forecast Report.

Exhibit 1	Actual FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Total Revenues/Available Funds	\$ 27,998,385	\$ 29,170,289	\$ 29,998,840	\$ 30,763,337	\$ 31,537,869	\$ 32,338,132	\$ 33,152,118	\$ 34,018,529	\$ 34,779,277	\$ 35,736,343	\$ 36,624,886	\$ 37,675,241
Total Expenditures (incl. Capital Plan)	\$ 28,377,778	\$ 29,213,258	\$ 30,132,674	\$ 31,073,140	\$ 32,146,713	\$ 33,086,077	\$ 33,994,743	\$ 35,221,223	\$ 36,271,786	\$ 37,435,869	\$ 38,930,097	\$ 40,178,929
Surplus/(Deficit)	\$ (379,392)	\$ (42,969)	\$ (133,834)	\$ (309,803)	\$ (608,844)	\$ (747,944)	\$ (842,625)	\$ (1,202,694)	\$ (1,492,510)	\$ (1,699,526)	\$ (2,305,211)	\$ (2,503,688)
Cumulated Surplus/(Deficit)		\$ (42,969)	\$ (176,802)	\$ (486,605)	\$ (1,095,450)	\$ (1,843,394)	\$ (2,686,018)	\$ (3,888,713)	\$ (5,381,222)	\$ (7,080,749)	\$ (9,385,960)	\$ (11,889,648)

Exhibit 2	Actual FY 2016	Projected FY 2017	Projected FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Total Revenues/Available Funds	\$ 27,998,385	\$ 29,170,289	\$ 29,998,840	\$ 30,763,337	\$ 31,537,869	\$ 32,338,132	\$ 33,152,118	\$ 34,018,529	\$ 34,779,277	\$ 35,736,343	\$ 36,624,886	\$ 37,675,241
Total Expenditures (not incl. Capital Plan)	\$ 28,377,778	\$ 29,213,258	\$ 29,910,702	\$ 30,922,495	\$ 31,786,669	\$ 32,624,522	\$ 33,547,450	\$ 34,776,514	\$ 35,681,384	\$ 36,813,399	\$ 38,123,777	\$ 39,386,059
Surplus/(Deficit)	\$ (379,392)	\$ (42,969)	\$ 88,138	\$ (159,158)	\$ (248,800)	\$ (286,389)	\$ (395,332)	\$ (757,985)	\$ (902,108)	\$ (1,077,056)	\$ (1,498,891)	\$ (1,710,818)
Cumulated Surplus/(Deficit)		\$ (42,969)	\$ 45,170	\$ (113,988)	\$ (362,788)	\$ (649,178)	\$ (1,044,510)	\$ (1,802,495)	\$ (2,704,603)	\$ (3,781,659)	\$ (5,280,551)	\$ (6,991,368)

Exhibit 3	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
New Debt Service (Bonds in 2017)	\$ 73,833	\$ 384,398	\$ 375,965	\$ 367,532	\$ 359,099	\$ 350,665	\$ 342,232	\$ 333,799	\$ 325,366	\$ 316,932
Short Term Debt (for BANs outstanding)	\$ 21,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 94,894	\$ 384,398	\$ 375,965	\$ 367,532	\$ 359,099	\$ 350,665	\$ 342,232	\$ 333,799	\$ 325,366	\$ 316,932

Exhibit 4	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Planned Capital Expenditures	\$ 699,972	\$ 962,500	\$ 421,700	\$ 560,000	\$ 418,000	\$ 469,000	\$ 5,201,000	\$ 295,000	\$ 170,000	\$ 141,000

Exhibit 5	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Capital Outlay (Free Cash)	\$ 221,972	\$ 137,500	\$ 226,700	\$ 180,000	\$ 143,000	\$ 84,000	\$ 201,000	\$ 145,000	\$ 170,000	\$ 141,000
New Debt Service (Borrowings)	\$ -	\$ 8,365	\$ 125,095	\$ 279,605	\$ 300,493	\$ 357,959	\$ 385,552	\$ 427,470	\$ 634,820	\$ 651,870
Short Term Debt	\$ -	\$ 4,780	\$ 8,250	\$ 1,950	\$ 3,800	\$ 2,750	\$ 3,850	\$ 50,000	\$ 1,500	\$ -
Total	\$ 221,972	\$ 150,645	\$ 360,045	\$ 461,555	\$ 447,293	\$ 444,709	\$ 590,402	\$ 622,470	\$ 806,320	\$ 792,870

Exhibit 8	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Chapter 70 Aid	\$ 5,407,948	\$ 5,442,348	\$ 5,476,748	\$ 5,511,148	\$ 5,545,548	\$ 5,579,948	\$ 5,614,348	\$ 5,648,748	\$ 5,683,148	\$ 5,717,548	\$ 5,751,948

Exhibit 9	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Planned Capital Outlay Expenditures	\$ 221,972	\$ 137,500	\$ 226,700	\$ 180,000	\$ 143,000	\$ 84,000	\$ 201,000	\$ 145,000	\$ 170,000	\$ 141,000

This file accompanies the Town of Georgetown's Financial Forecast Report.

Exhibit 6	FY 2018		FY 2019		FY 2020		FY 2021		FY 2022		FY 2023		FY 2024		FY 2025		FY 2026		FY 2027	
	Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Dept. Expenses	\$ 20,908,809	69.4%	\$ 21,542,181	69.3%	\$ 22,154,119	68.9%	\$ 22,659,349	68.5%	\$ 23,173,878	68.2%	\$ 23,919,295	67.9%	\$ 24,623,869	67.9%	\$ 25,186,483	67.3%	\$ 26,075,422	67.0%	\$ 26,697,122	66.4%
Debt	\$ 3,138,812	10.4%	\$ 3,064,251	9.9%	\$ 3,117,688	9.7%	\$ 3,115,186	9.4%	\$ 3,042,219	8.9%	\$ 3,023,527	8.6%	\$ 2,834,776	7.8%	\$ 2,864,014	7.7%	\$ 2,856,891	7.3%	\$ 2,828,547	7.0%
Insurance/Retirement	\$ 5,427,192	18.0%	\$ 5,787,539	18.6%	\$ 6,173,367	19.2%	\$ 6,586,519	19.9%	\$ 7,028,969	20.7%	\$ 7,502,840	21.3%	\$ 8,010,406	22.1%	\$ 8,554,109	22.9%	\$ 9,136,569	23.5%	\$ 9,760,599	24.3%
Cherry Sheet/Overlay	\$ 657,861	2.2%	\$ 679,169	2.2%	\$ 701,539	2.2%	\$ 725,023	2.2%	\$ 749,677	2.2%	\$ 775,561	2.2%	\$ 802,735	2.2%	\$ 831,264	2.2%	\$ 861,215	2.2%	\$ 892,660	2.2%
Snow and Ice Deficit	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Total	\$ 30,132,674	100.0%	\$ 31,073,140	100.0%	\$ 32,146,713	100.0%	\$ 33,086,077	100.0%	\$ 33,994,743	100.0%	\$ 35,221,223	100.0%	\$ 36,271,786	100.0%	\$ 37,435,869	100.0%	\$ 38,930,097	100.0%	\$ 40,178,929	100.0%

Exhibit 7	FY 2018		FY 2019		FY 2020		FY 2021		FY 2022		FY 2023		FY 2024		FY 2025		FY 2026		FY 2027	
	Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected		Projected	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Property Taxes	\$ 20,189,725	67.3%	\$ 20,850,877	67.8%	\$ 21,472,029	68.1%	\$ 22,122,042	68.4%	\$ 22,801,518	68.8%	\$ 23,502,256	69.1%	\$ 24,243,048	69.7%	\$ 25,016,457	70.0%	\$ 25,714,621	70.2%	\$ 26,568,690	70.5%
State Revenues	\$ 6,594,865	22.0%	\$ 6,636,291	21.6%	\$ 6,704,461	21.3%	\$ 6,773,861	20.9%	\$ 6,844,539	20.6%	\$ 6,916,544	20.3%	\$ 6,989,930	20.1%	\$ 7,064,750	19.8%	\$ 7,141,061	19.5%	\$ 7,218,922	19.2%
Local Receipts	\$ 2,702,611	9.0%	\$ 2,763,158	9.0%	\$ 2,845,760	9.0%	\$ 2,931,664	9.1%	\$ 3,020,997	9.1%	\$ 3,112,984	9.2%	\$ 3,209,580	9.2%	\$ 3,310,144	9.3%	\$ 3,415,733	9.3%	\$ 3,525,470	9.4%
Other Available Funds	\$ 511,640	1.7%	\$ 513,011	1.7%	\$ 515,619	1.6%	\$ 510,566	1.6%	\$ 485,065	1.5%	\$ 486,744	1.4%	\$ 336,718	1.0%	\$ 344,992	1.0%	\$ 353,471	1.0%	\$ 362,159	1.0%
Total	\$ 29,998,840	100.0%	\$ 30,763,337	100.0%	\$ 31,537,869	100.0%	\$ 32,338,132	100.0%	\$ 33,152,118	100.0%	\$ 34,018,529	100.0%	\$ 34,779,277	100.0%	\$ 35,736,343	100.0%	\$ 36,624,886	100.0%	\$ 37,675,241	100.0%



Town of Georgetown  
12-Year Capital Plan  
FY18 to FY29

Long-Term Capital Plan (CIP)

Georgetown Financial Forecasting Project  
Preliminary CIP  
as of 08.18.16

FY18	Police	Needs Assessment	15,000
FY18	Fire	Lucas Chest Compression Unit	20,000
FY18	Fire	Design	15,000
FY18	Highway	Sidewalk Machine	158,000
FY18	Highway	Sand Shed	160,000
FY18	Highway	Pickup	52,000
FY18	Highway	6 Wheeler	160,000
FY18	School	Tank Removal	38,972
FY18	School	Perley Exterior Trim	50,000
FY18	School	Auditorium Curtain	31,000
			<u>699,972</u>
FY19	Police	Garage Floor	12,500
FY19	Police	Parking Lot Paving	24,000
FY19	Fire	SCBA Cylinders (20)	20,000
FY19	Fire	Engine 5 Replacement	600,000
FY19	School	Auditorium Lighting	81,000
FY19	School	Perley Windows	225,000
			<u>962,500</u>
FY20	Fire	Helmets	16,000
FY20	Fire	SCBA Cylinders (20)	20,000
FY20	PSB	Fire Alarm & Suppression Sys	42,000
FY20	PSB	Perimeter Fence	59,700
FY20	School	Perley Rug Replacment	89,000
FY20	School	MHS Rug replacment	195,000
			<u>421,700</u>
FY21	Police	Portable Radios	65,000
FY21	Fire	Brush Truck	60,000
FY21	Fire	SCBA Cylinders (30)	180,000
FY21	Fire	Hose	30,000
FY21	School	Locker replacments	200,000
FY21	School	Auditorium Floor Replacement	25,000
			<u>560,000</u>
FY22	PSB	Exterior Paint	21,000
FY22	Fire	Hose	30,000
FY22	Ambulance	Replace Unit 11	200,000
FY22	School	MHS Boiler replacment	275,000
FY22	School	Kitchen RTU (heater)	92,000
			<u>618,000</u>

Totals by FY, Dept		
FY18	Fire	35,000
FY18	Highway	530,000
FY18	Police	15,000
FY18	School	119,972
FY19	Fire	620,000
FY19	Police	36,500
FY19	School	306,000
FY20	Fire	36,000
FY20	PSB	101,700
FY20	School	284,000
FY21	Fire	270,000
FY21	Police	65,000
FY21	School	225,000
FY22	Ambulance	200,000
FY22	Fire	30,000
FY22	PSB	21,000
FY22	School	367,000
FY23	Fire	60,000
FY23	Highway	160,000
FY23	Police	24,000
FY23	School	225,000
FY24	Fire	55,000
FY24	Highway	65,000
FY24	PSB	5,000,000
FY24	School	81,000
FY25	Fire	30,000
FY25	Highway	150,000
FY25	Police	15,000
FY25	School	100,000
FY26	Fire	80,000
FY26	Police	15,000
FY26	School	75,000
FY27	Ambulance	200,000
FY27	Highway	40,000
FY27	Police	26,000
FY27	School	75,000
FY28	Fire	700,000
FY28	Highway	100,000
FY28	Police	14,000
FY29	Fire	1,500,000
FY29	Highway	65,000
FY29	Ambulance	60,000
<b>Total</b>		<b>12,177,172</b>
<b>Diff</b>		<b>-</b>

Town of Georgetown  
12-Year Capital Plan  
FY18 to FY29

Long-Term Capital Plan (CIP)

FY23	Highway	Chipper	160,000
FY23	Fire	Jaws	60,000
FY23	Police	Cell Doors	24,000
FY23	School	Perley Gym Roof	225,000
			<u>469,000</u>
FY24	PSB	Replace Facility	5,000,000
FY24	Highway	1 Ton	65,000
FY24	Fire	Wildland Vehicle	25,000
FY24	Fire	Protective Clothing (15)	30,000
FY24	School	Utility Grounds Vehicle	81,000
			<u>5,201,000</u>
FY25	Police	Boat	15,000
FY25	Fire	Protective Clothing (15)	30,000
FY25	Highway	Wheel Loader	150,000
FY25	School	Tractor	100,000
			<u>295,000</u>
FY26	Fire	Command Vehicle	50,000
FY26	Fire	Protective Clothing (15)	30,000
FY26	Police	Weapons Replacement	15,000
FY26	School	Café Doors Replacement	75,000
			<u>170,000</u>
FY27	Ambulance	Replace Unit 12	200,000
FY27	Highway	Salt Shed Roof	40,000
FY27	Police	MC Replacement	26,000
FY27	School	Front Doors Replacement	75,000
			<u>341,000</u>
FY28	Police	Equipment Trailer Replacement	14,000
FY28	Highway	Addition	100,000
FY28	Fire	Replace Engine 1	700,000
			<u>814,000</u>
FY29	Highway	1 Ton Dump	65,000
FY29	Ambulance	Cardiac Monitor	60,000
FY29	Fire	Replace Ladder 1	1,500,000
			<u>1,625,000</u>
Grand Total			12,177,172

Totals by Dept	
Ambulance	460,000
Fire	3,416,000
Highway	1,110,000
Police	210,500
PSB	5,122,700
School	1,857,972
<b>Total</b>	<b>12,177,172</b>
<b>Diff</b>	<b>-</b>

Totals by FY	
FY18	699,972
FY19	962,500
FY20	421,700
FY21	560,000
FY22	618,000
FY23	469,000
FY24	5,201,000
FY25	295,000
FY26	170,000
FY27	341,000
FY28	814,000
FY29	1,625,000
<b>Total</b>	<b>12,177,172</b>
<b>Diff</b>	<b>-</b>



Town of Georgetown  
12-Year Capital Plan  
FY18 to FY29

CIP Projected Expenditures

Georgetown Financial Forecasting Project Preliminary CIP as of 08.18.16				Capital Expenditures By Year ----->							
				FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
2018	Police	Needs Assessment	15,000	\$ 15,000							
2018	Fire	Lucas Chest Compression Unit	20,000	\$ 20,000							
2018	Fire	Design	15,000	\$ 15,000							
2018	Highway	Sidewalk Machine	158,000		\$ 2,765	\$ 36,577	\$ 35,471	\$ 34,365	\$ 33,259	\$ 32,153	
2018	Highway	Sand Shed	160,000		\$ 2,800	\$ 37,040	\$ 35,920	\$ 34,800	\$ 33,680	\$ 32,560	
2018	Highway	Pickup	52,000	\$ 52,000							
2018	Highway	6 Wheeler	160,000		\$ 2,800	\$ 37,040	\$ 35,920	\$ 34,800	\$ 33,680	\$ 32,560	
2018	School	Tank Removal	38,972	\$ 38,972							
2018	School	Perley Exterior Trim	50,000	\$ 50,000							
2018	School	Auditorium Curtain	31,000	\$ 31,000							
2019	Police	Garage Floor	12,500		\$ 12,500						
2019	Police	Parking Lot Paving	24,000		\$ 24,000						
2019	Fire	SCBA Cylinders (20)	20,000		\$ 20,000						
2019	Fire	Engine 5 Replacement	600,000			\$ 10,500	\$ 138,900	\$ 134,700	\$ 130,500	\$ 126,300	\$ 122,100
2019	School	Auditorium Lighting	81,000		\$ 81,000						
2019	School	Perley Windows	225,000			\$ 3,938	\$ 29,981	\$ 29,194	\$ 28,406	\$ 27,619	\$ 26,831
2020	Fire	Helmets	16,000			\$ 16,000					
2020	Fire	SCBA Cylinders (20)	20,000			\$ 20,000					
2020	PSB	Fire Alarm & Suppression Sys	42,000			\$ 42,000					
2020	PSB	Perimeter Fence	59,700			\$ 59,700					
2020	School	Perley Rug Replacment	89,000			\$ 89,000					
2020	School	MHS Rug replacment	195,000				\$ 3,413	\$ 25,984	\$ 25,301	\$ 24,619	\$ 23,936
2021	Police	Portable Radios	65,000				\$ 65,000				
2021	Fire	Brush Truck	60,000				\$ 60,000				
2021	Fire	SCBA Cylinders (30)	180,000					\$ 3,150	\$ 41,670	\$ 40,410	\$ 39,150
2021	Fire	Hose	30,000				\$ 30,000				
2021	School	Locker replacments	200,000					\$ 3,500	\$ 26,650	\$ 25,950	\$ 25,250
2021	School	Auditorium Floor Replacement	25,000				\$ 25,000				
2022	PSB	Exterior Paint	21,000					\$ 21,000			
2022	Fire	Hose	30,000					\$ 30,000			
2022	Ambulance	Replace Unit 11	200,000								
2022	School	MHS Boiler replacment	275,000						\$ 4,813	\$ 36,644	\$ 35,681
2022	School	Kitchen RTU (heater)	92,000					\$ 92,000			



Town of Georgetown  
12-Year Capital Plan  
FY18 to FY29

CIP Projected Expenditures

Georgetown Financial Forecasting Project Preliminary CIP as of 08.18.16				FY 2026	FY 2027	Total
2018	Police	Needs Assessment	15,000			\$ 15,000
2018	Fire	Lucas Chest Compression Unit	20,000			\$ 20,000
2018	Fire	Design	15,000			\$ 15,000
2018	Highway	Sidewalk Machine	158,000			\$ 174,590
2018	Highway	Sand Shed	160,000			\$ 176,800
2018	Highway	Pickup	52,000			\$ 52,000
2018	Highway	6 Wheeler	160,000			\$ 176,800
2018	School	Tank Removal	38,972			\$ 38,972
2018	School	Perley Exterior Trim	50,000			\$ 50,000
2018	School	Auditorium Curtain	31,000			\$ 31,000
2019	Police	Garage Floor	12,500			\$ 12,500
2019	Police	Parking Lot Paving	24,000			\$ 24,000
2019	Fire	SCBA Cylinders (20)	20,000			\$ 20,000
2019	Fire	Engine 5 Replacement	600,000			\$ 663,000
2019	School	Auditorium Lighting	81,000			\$ 81,000
2019	School	Perley Windows	225,000	\$ 26,044	\$ 25,256	\$ 268,313
2020	Fire	Helmets	16,000			\$ 16,000
2020	Fire	SCBA Cylinders (20)	20,000			\$ 20,000
2020	PSB	Fire Alarm & Suppression Sys	42,000			\$ 42,000
2020	PSB	Perimeter Fence	59,700			\$ 59,700
2020	School	Perley Rug Replacment	89,000			\$ 89,000
2020	School	MHS Rug replacment	195,000	\$ 23,254	\$ 22,571	\$ 232,538
2021	Police	Portable Radios	65,000			\$ 65,000
2021	Fire	Brush Truck	60,000			\$ 60,000
2021	Fire	SCBA Cylinders (30)	180,000	\$ 37,890	\$ 36,630	\$ 198,900
2021	Fire	Hose	30,000			\$ 30,000
2021	School	Locker replacments	200,000	\$ 24,550	\$ 23,850	\$ 238,500
2021	School	Auditorium Floor Replacement	25,000			\$ 25,000
2022	PSB	Exterior Paint	21,000			\$ 21,000
2022	Fire	Hose	30,000			\$ 30,000
2022	Ambulance	Replace Unit 11	200,000			\$ -
2022	School	MHS Boiler replacment	275,000	\$ 34,719	\$ 33,756	\$ 327,938
2022	School	Kitchen RTU (heater)	92,000			\$ 92,000



Town of Georgetown  
12-Year Capital Plan  
FY18 to FY29

CIP Projected Expenditures

Georgetown Financial Forecasting Project Preliminary CIP as of 08.18.16				FY18 to FY29							
				Capital Expenditures By Year ----->							
				FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
2023	Highway	Chipper	160,000							\$ 2,800	\$ 37,040
2023	Fire	Jaws	60,000						\$ 60,000		
2023	Police	Cell Doors	24,000						\$ 24,000		
2023	School	Perley Gym Roof	225,000							\$ 3,938	\$ 29,981
2024	PSB	Replace Facility	5,000,000								\$ 87,500
2024	Highway	1 Ton	65,000							\$ 65,000	
2024	Fire	Wildland Vehicle	25,000							\$ 25,000	
2024	Fire	Protective Clothing (15)	30,000							\$ 30,000	
2024	School	Utility Grounds Vehicle	81,000							\$ 81,000	
2025	Police	Boat	15,000								\$ 15,000
2025	Fire	Protective Clothing (15)	30,000								\$ 30,000
2025	Highway	Wheel Loader	150,000								
2025	School	Tractor	100,000								\$ 100,000
2026	Fire	Command Vehicle	50,000								
2026	Fire	Protective Clothing (15)	30,000								
2026	Police	Weapons Relacement	15,000								
2026	School	Café Doors Replacement	75,000								
2027	Ambulance	Replace Unit 12	200,000								
2027	Highway	Salt Shed Roof	40,000								
2027	Police	MC Replacement	26,000								
2027	School	Front Doors Replacement	75,000								
2028	Police	Equipment Trailer Replacement	14,000								
2028	Highway	Addition	100,000								
2028	Fire	Replace Engine 1	700,000								
2029	Highway	1 Ton Dump	65,000								
2029	Ambulance	Cardiac Monitor	60,000								
2029	Fire	Replace Ladder 1	1,500,000								
Totals				\$ 221,972	\$ 145,865	\$ 351,795	\$ 459,605	\$ 443,493	\$ 441,959	\$ 586,552	\$ 572,470
Free Cash				\$ 221,972	\$ 137,500	\$ 226,700	\$ 180,000	\$ 143,000	\$ 84,000	\$ 201,000	\$ 145,000
Borrowing				\$ -	\$ 8,365	\$ 125,095	\$ 279,605	\$ 300,493	\$ 357,959	\$ 385,552	\$ 427,470

Town of Georgetown  
12-Year Capital Plan  
FY18 to FY29

CIP Projected Expenditures

Georgetown Financial Forecasting Project Preliminary CIP as of 08.18.16				FY 2026	FY 2027	Total
2023	Highway	Chipper	160,000	\$ 35,920	\$ 34,800	\$ 176,800
2023	Fire	Jaws	60,000			\$ 60,000
2023	Police	Cell Doors	24,000			\$ 24,000
2023	School	Perley Gym Roof	225,000	\$ 29,194	\$ 28,406	\$ 268,313
2024	PSB	Replace Facility	5,000,000	\$ 420,625	\$ 411,875	\$ 6,837,500
2024	Highway	1 Ton	65,000			\$ 65,000
2024	Fire	Wildland Vehicle	25,000			\$ 25,000
2024	Fire	Protective Clothing (15)	30,000			\$ 30,000
2024	School	Utility Grounds Vehicle	81,000			\$ 81,000
2025	Police	Boat	15,000			\$ 15,000
2025	Fire	Protective Clothing (15)	30,000			\$ 30,000
2025	Highway	Wheel Loader	150,000	\$ 2,625	\$ 34,725	\$ 165,750
2025	School	Tractor	100,000			\$ 100,000
2026	Fire	Command Vehicle	50,000	\$ 50,000		\$ 50,000
2026	Fire	Protective Clothing (15)	30,000	\$ 30,000		\$ 30,000
2026	Police	Weapons Relacement	15,000	\$ 15,000		\$ 15,000
2026	School	Café Doors Replacement	75,000	\$ 75,000		\$ 75,000
2027	Ambulance	Replace Unit 12	200,000			\$ -
2027	Highway	Salt Shed Roof	40,000		\$ 40,000	\$ 40,000
2027	Police	MC Replacement	26,000		\$ 26,000	\$ 26,000
2027	School	Front Doors Replacement	75,000		\$ 75,000	\$ 75,000
2028	Police	Equipment Trailer Replacement	14,000			\$ 14,000
2028	Highway	Addition	100,000			\$ 100,000
2028	Fire	Replace Engine 1	700,000			\$ 773,500
2029	Highway	1 Ton Dump	65,000			\$ 65,000
2029	Ambulance	Cardiac Monitor	60,000			\$ -
2029	Fire	Replace Ladder 1	1,500,000			\$ 1,657,500
<b>Totals</b>				<b>\$ 804,820</b>	<b>\$ 792,870</b>	<b>\$ 14,165,912</b>
Free Cash				\$ 170,000	\$ 141,000	\$ 1,829,172
Borrowing				\$ 634,820	\$ 651,870	\$ 12,336,740